

A stylized torch logo on the left side of the slide. The torch has a green handle and a green bowl. The flame is orange and yellow, with a large, flowing shape.

# OFFICE OF FINANCIAL AND ADMINISTRATIVE SERVICES Special Education Finance

## High Need Fund

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# High Need Fund (HNF) Purpose

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- Established pursuant to Section 162.974, RSMo, to provide funding support for districts with “High Need Students”
- For special education students whose educational costs exceed three times (3x) the district’s current expenditure per Average Daily Attendance (ADA)



# Reimbursement Methodology

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- **DESE will reimburse expenditures the following fiscal year in which the services were provided.**
- **Reimbursement is 100%. Applications are due November 30 following the year in which services were provided.**



# Current Expenditure per ADA

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- **Current Expenditure per ADA is calculated by School Finance on the Annual Secretary of the Board Report (ASBR)**
- **It is figured by taking the district's expenditures divided by the ADA. The result is the "average" amount it costs to educate each student in the district. This is used to determine the base amount to determine the 3x threshold.**



# Current Expenditure per ADA Example

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|                                     |                     |
|-------------------------------------|---------------------|
| <b>Total District Expenditures:</b> | <b>\$12,895,324</b> |
| <b>Total District ADA:</b>          | <b>\$2,112</b>      |
| <b>Current Expenditure per ADA:</b> | <b>\$6,105</b>      |

$$\text{\$12,895,324} \div \text{\$2,112} = \text{\$6,105}$$



# Reimbursement Methodology

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|  |                 |
|--|-----------------|
| <b>Educational Costs for Student:</b>        | <b>\$31,000</b> |
| <b>District Current Expenditure per ADA:</b> | <b>\$6,105</b>  |
| <b>3x Current Expenditure per ADA:</b>       | <b>\$18,315</b> |
| <b>District Responsibility:</b>              | <b>\$18,315</b> |
| <b>District Reimbursement Amount:</b>        | <b>\$12,685</b> |

$$\text{\$6,105} \times 3 = \text{\$18,315}$$

$$\text{\$31,000} - \text{\$18,315} = \text{\$12,685}$$



# Identifying Students

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**Students typically eligible for this fund include, but are not limited to:**

- **Students with personal aides or nurses**
- **Students in contractual placements**
- **Students receiving a large amount of related services**
- **Students receiving one-on-one instruction**



# What can be reimbursed?

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## **Educational Costs including:**

- **Instruction**
- **IEP Related Services**
- **Transportation**
- **Tuition/Contractual/Cooperative**
- **Assistive Technology/Supplies**





# Instructional Costs

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- **Regular Education Teachers**
- **Special Education Teachers**
- **Paraprofessionals**
- **Interpreters**
- **Others as appropriate**



# IEP Related Services

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- **Occupational, Physical Therapy, Speech**
- **Orientation and Mobility**
- **ABA Consultation**
- **Braille Instruction**
- **Counseling**



# Transportation

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- **Bus Transportation**
- **Bus Aide**
- **Cab**
- **Contractual Transportation**
- **Parent Reimbursement**



# Tuition/Contractual/Cooperative

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- Private Agencies
- Outside School District Tuition



# Assistive Technology/Supplies

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- **Harness**
- **Bus Lift**
- **Braille Writer**
- **Speech-to-text software**
- **Computer**



# Prorated Costs

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- All costs must be prorated based on the number of students served (if applicable)

**Special Ed Teacher Salary: \$41,000**

**Number of Students Served: 12**

$$\text{\$41,000} \div 12 = \text{\$3,416.66 / student}$$



# Unallowable Costs

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- **Court Costs**
- **Legal Fees**
- **Other Costs associated with a cause of action brought on behalf of a student with a disability**
- **Medical Assistance Reimbursable Activities**



# Medicaid Billing

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- **The district must indicate if it billed Medicaid for reimbursement on Occupational, Physical and/or Speech Therapy for the student.**
- **Allows the SEA to ensure that monies paid under the High Need Fund are drawn from the appropriate fund source. See 300.704.**





# Cooperatives

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- **Cooperatives may not apply for High Need Fund reimbursement.**
- **Districts participating in Cooperatives must apply for the High Need Fund for their own students using the district's Current Expenditure per ADA.**
- **Districts may need to work closely with the Cooperative to determine the educational costs for each student as well as necessary agreements to reimburse those costs to the cooperative.**



# Application Request

- District's must apply on the DESE provided application and submit by email to [spedfunding@dese.mo.gov](mailto:spedfunding@dese.mo.gov)
- Applications are due November 30 following the year in which services were provided.  
Example: Expenses incurred during the 2010-11 school year will be submitted and paid during the 2011-12 school year.
- Upon application approval, reimbursement is anticipated to be paid in January – June.



# HNF Manual

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**High Need Manual, Application and Supporting Data may be found at:**

**<http://dese.mo.gov/divspeced/Finance/HighNeedIndex.html>**



# Questions?

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## Contact the Special Education Finance Section:

- E-mail: [spedfunding@dese.mo.gov](mailto:spedfunding@dese.mo.gov)
- Telephone: (573) 751-0622

